



DISB Bulletin

A monthly publication of news and events of the DC Department of Insurance, Securities and Banking

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Rehabilitator for DC Chartered Health Says Company Owes Providers at Least \$60 Mil from Claims

The department took Chartered Health into receivership in October, enrollees transitioned to AmeriHealth May 1

DC Chartered Health Plan Inc.'s special deputy to the rehabilitator filed his fourth status report May 17 in D.C. Superior Court. The report noted claims by health-care providers of approximately \$35 million have been processed but remain unpaid as of May 10. Chartered estimates \$25 million remains in incurred but not reported claims with an additional \$35 million in disputed claims in arbitration with MedStar's Washington Hospital and Georgetown University Hospital. As in prior reports, the special deputy said the rehabili-

tator is seeking recoveries from Chartered's parent company, D.C. Healthcare Systems Inc., and its shareholder Jeffrey Thompson. The deputy seeks \$14 million pledged as loan collateral, several million dollars in income-tax refunds and approximately \$1 million in undocumented related-party transfers. In all, the rehabilitator requested \$17 million in a complaint filed May 30.

The rehabilitator is also seeking approximately \$60 million from the District for retrospective premiums claimed under Chartered's old Medicaid contract. The claims are pend-

ing at the Department of Health Care Finance.

On April 30, Chartered agreed to sell some assets to AmeriHealth, a Philadelphia-based, nationally known Medicaid insurer, and seamlessly transitioned its enrollees, provider network and employees to AmeriHealth. AmeriHealth entered into a Medicaid managed-care contract with the Department of Health Care Finance effective May 1. Chartered remains responsible for services rendered and unpaid claims prior to May 1. Chartered's special

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DISB Hosts First "Senior Financial and Insurance Awareness Day"

More than 50 seniors attended the department's first "Senior Financial and Insurance Awareness Day" with the office of Councilmember Marion Barry, who spoke, at Congress Heights Senior Wellness Center in Ward 8 April 17. The presentations included the impact of aging on financial decisions, an insurance check-up, navigating Medicare choices, fraud prevention and water service-line coverage. DISB Consumer Protection Advocate Idriys Abdullah moderated the event featuring speeches by DISB's Arthur Slade, Dr. Shelia Jones of Adult Protection Services, D.C. Water and Sewer Authority's Geneva Green, Chris DeYoung of GWU Law

School's Health Insurance Counseling Project and Douglas Klein from the U.S. Attorney's Office. DISB Deputy Commissioner Chester McPherson also spoke about the importance of financial literacy. The next Senior Financial and Insurance Awareness Day is June 12 at the Washington Seniors Wellness Center in Ward 7 from 11:30 a.m. – 1:30 p.m.



Councilmember Marion Barry welcomed attendees to the first Senior Financial and Insurance Awareness Day on April 17. Photo by Lucy Draffon-Lowery.

DISB Event Roundup

A briefing of some of the recent department events and presentations

DISB Staff Educates Students at H.D. Woodson and Dunbar Senior High Schools

DISB provided financial education in May at H.D. Woodson and Dunbar Senior High Schools with Operation HOPE's "Banking on our Future" program. The program promotes economic self-sufficiency through financial literacy.



Left to right, DISB's Arthur Slade, Warren Hochbaum, Angela King, Dante Settles and Idriys Abdullah on May 16 at Dunbar Senior High School. Photo courtesy of Operation Hope.

At the May 7 program at H.D. Woodson, Insurance Operations Specialist Arthur Slade discussed with sophomores and juniors the basics of banking and the power of credit.

On May 16, Slade joined DISB Insurance Examiner Angela King, Securities Registration Specialist Dante Settles and Chief Bank Examiner Warren Hochbaum for a second Banking on Our Future financial literacy event. The DISB staff taught almost 30 students at Dunbar Senior High School about credit, banking, savings and investments.

DISB Encourages Seniors to Do Their Research on Investments at Mayor's Age-Friendly City Symposium

DISB Associate Commissioner for Securities Theodore Miles and representatives from the U.S. Attorney's Office, U.S. Postal Inspection Service, D.C. Adult Protective Services, D.C. Office on Aging and a local realtor educated seniors May 10 on financial scams at the Mayor's Age Friendly City Symposium.

Miles encouraged the 60 attendees to check thoroughly before investing. "When someone comes to you with a great investment, ask them do you have a license? Who gave it to you? What is your license number? And then verify by calling DISB," Miles said.

Bank on DC News

Bank on DC Featured Monthly on Go-Go Radio

Bank on DC's Program Manager Sybongile Cook is hosting a show called "Spring In" (*Spring in to action, education and awareness of your finances*) on Go-Go Radio every third Monday of the month, from 2-3 p.m. You can listen to the show live from their website at <http://www.gogoradio.com/home/>



"I'm really excited about Bank on DC's radio show. It's a great opportunity to inform residents of the services and programs available in the District," said Cook.

Her most recent show was May 13 with guests Ben Arnold, DISB's Foreclosure Mediation Administrator; Michael Kelly, director of D.C.'s Housing and Community Development office; and Kathleen Geary, president/CEO of HEW Federal Credit Union.

The topic was "Buying a Home and Keeping a Home." The guests discussed the 5th Annual Housing Expo on June 1, the foreclosure mediation program at DISB and the housing services of HEW Federal Credit Union.

Bank on DC Participates in Digital DC Spring 2013 Community Broadband Summit

Bank on DC's Program Manager Sybongile Cook participated in the Spring Community Broadband Summit hosted by Connect.DC on May 18 at Turkey Thicket Recreation Center in Ward 5.



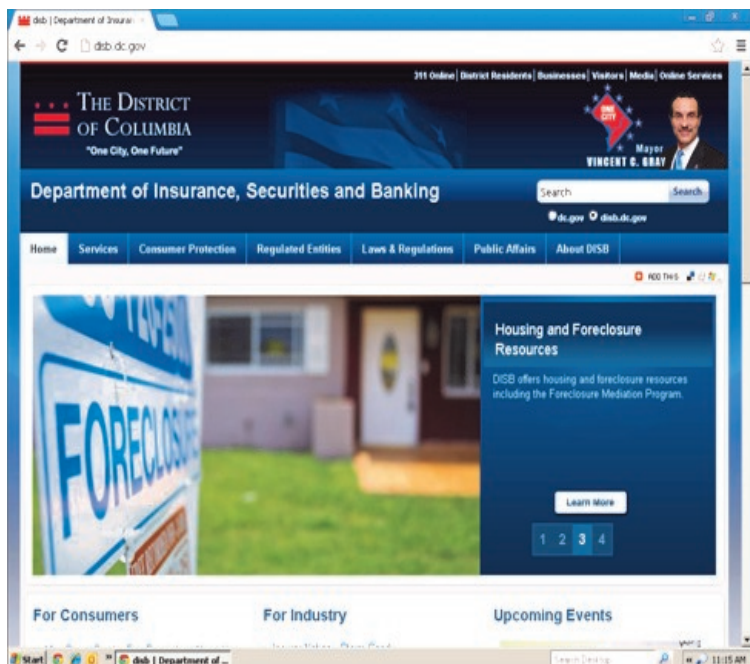
Bank on DC's Program Manager Sybongile Cook discusses online banking, budgeting and other topics at May 18 Spring Community Broadband Summit. Photo provided by Bank on DC

She collaborated on a workshop called "For the Love of Money – A Family Affair" on online banking, budgeting and other digital financial matters. Hundreds of residents, businesses and nonprofits gathered to explore the intersection of technology and economic opportunity in local communities.

DISB's Website in Top 25 Percent of the District Government Websites

The department's newly renovated site, disb.dc.gov, is increasing traffic

The department's website is the 18th most visited website among city's government's 80 websites, moving up from 24th in April from a year earlier. It drew 32% more visitors compared to a 28% rise for all city websites, from 5,791 to 9,609. At the same time, visits to the



Mayor's website increased by only 20%. The mayor's website is roughly comparable to ours in viewership and we are using it as our benchmark. To see what people are looking at lately, see the tables below:

Top Five Pages Viewed in April 2013

Webpage	Page Views
Insurance Producer Licensing	2,244
Registered Agent Information Form	1,421
DC Chartered Rehabilitation	873
Insurance Regulations	812
Verify financial institution	623

Top Ten Consumer Topics in April 2013

Webpage	Page Views
DC Chartered Rehabilitation	873
Public documents	638
Verify financial institution	623
File a complaint or report fraud	272
April is financial literacy month	237
About DISB	213
Storm Sandy info	149
Health insurance products marketed in D.C.	103
D.C. Collateral Support Program	84
Jamaican scams	84

Rehabilitator for Chartered Health Says Company (Continued from page 1)

deputy reported the company has approximately \$16 million in cash assets, including \$5 million from AmeriHealth from the asset sale and \$3.5 million in routine payment adjustments from the Department of Health Care Finance. The status report set out fees and expenses for the special deputy; legal counsel to the rehabilitator; and a financial advisor. Those fees have averaged \$465,000 a month for the six months from October 19 through April 30. More at disb.dc.gov/chartered.

New Way to Access the D.C. Official Code

The D.C. Official Code is now available on LexisNexis' website at www.lexisnexis/hottopics/dccode. You will find a table of contents as well as a key word search. Below are title numbers related to our department to help your search.

- ◆ Banking – Title 26
- ◆ Fraud – Title 22, then Subtitle I, then Chapter 32
- ◆ Insurance – Title 31
- ◆ Securities – Title 31

More Than 500 D.C. Borrower Claims to Be Paid from National Mortgage Settlement

More than 500 claims by District borrowers who lost their homes to foreclosure will be paid by the National Mortgage Settlement, a total of \$754,000 in consumer restitution and approximately \$1,480 per covered loan.

The eligible D.C. borrowers had their home mortgages serviced by the five largest mortgage-servicers: Ally/GMAC, Bank of America, Citi, JPMorgan Chase and Wells Fargo, and lost their homes to foreclosure between January 1, 2008 and December 31, 2011.

The servicers agreed last year to settle with the federal government and the attorneys general of 49 states and the District over foreclosure abuses, particularly the "robo-signing" of important foreclosure documents. The settlement administrator, Rust Consulting, will mail the valid claim payments from June 10-17. More information on this topic can be found on our website [at this link](#). For information on the National Mortgage Settlement [visit this link](#).

Welcome New DISB Interns

Jennifer Katherman
Legal Intern
Securities Bureau

Jennifer Katherman recently completed her first year of law school at American University Washington College of Law. She will research crowd-funding regulations. Jennifer grew up overseas in Shanghai, China but now considers Atlanta home after graduating from Emory University in 2010.



Darshan Chulani
Legal Intern
Securities Bureau

Darshan Chulani is helping update the agency's securities act. Darshan is a rising third-year student at American University Washington College of Law. He received his undergraduate degree from Old Dominion University in Norfolk, Va. He enjoys soccer and playing the mandolin.



Jackie Akyea
Legal Intern
Securities Bureau

Jackie Akyea recently completed her first year of law school at Catholic University of America after receiving her B.A. from the University of Maryland. She will research preventing financial exploitation of District seniors. Jackie is from Silver Spring.



Brian N. Quarles II
Legal Intern
Office of the General Counsel

Brian Quarles is entering his third year at Howard University School of Law. He received a B.S. in economics with finance application from Southern Methodist University. He was born in Ankara, Turkey and grew up in San Antonio, Texas. Over his 10-week internship, Brian will be working on several projects.



Kramer Ortman
Legal Intern
Securities Bureau

Kramer Ortman is a rising second-year law student at Catholic University of America. He is researching whether D.C. should regulate franchises as securities and require franchise registration with the department before companies can offer or sell a franchise. He received his Bachelor of Arts in political science and international relations from Gonzaga University. Kramer is from the state of Washington.



Shinada Phillips
Intern
Bank on DC

Shinada Phillips is a recent graduate of Lynchburg College. During her time with Bank on DC as the Summer Programs Coordinator she will oversee two supervisors and 15 youth facilitators for the Summer Youth Employment Program. She will also assist the D.C. Department of Youth Rehabilitative Services and the Child and Family Service Agency.



Event Calendar

Senior Financial and Insurance Awareness Day –
Wednesday, June 12, 11:30 a.m. – 1:30 p.m., Washington Seniors Wellness Center, 3001 Alabama Avenue, SE.

Senior Wellness Center Financial Fraud Prevention Presentations - Tuesday, June 18, 10:30 a.m. – 12:00 p.m., Hattie Holmes Senior Wellness Center, 324 Kennedy Street, NW.

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Contact us at kathryn.hartig@dc.gov or lucy.drafton-lowery@dc.gov with your questions.
810 First St., NE Suite 701 • Washington, DC 20002
<http://disb.dc.gov>



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